

APPENDIX B

60/008873

IN-PACK ELECTRONIC GREEN STAMPS



IN-PACK ELECTRONIC GREI STAMPS

W/0088539

TARGET OBJECTIVES

- Build brand loyalty for products.
- Stimulate repeat purchase of products.
- Encourage trial of new products.
- Create in-store excitement for trade.

CALL TO ACTION

Earn frequent shopper award credits with each purchase of product. Cash in your credits for free long distance time or dozens of other valuable awards.

STRATEGY

Create a continuity and frequent purchase program utilizing interactive and electronic media to reward loyal consumers for repeat purchase of targeted products.

HOW IT WORKS

1. Produce compact-sized Frequent Shopper Certificates printed on paper with an 800 number, unique certificate number, and promotion instructions for the consumer.
2. Certificates are inserted into all applicable products and have a value of one award credit.
3. An award matrix is created showing how accumulated award credits can be redeemed for various levels of awards.

For example:

10 Award Credits = 15 minutes of Free Long Distance
30 Award Credits = 60 minutes of Free Long Distance
50 Award Credits = 120 minutes of Free Long Distance

4. POP material promotes the program and award levels.
5. To activate their Frequent Shopper account, participating consumers simply call the 800 number (printed on each certificate) and follow the voice prompts. A first call would sound like ...

"Welcome to the ABC Company Frequent Shopper Award line!
Please enter your area code and home telephone number now:

Caller enters their 10 digit phone number.

Now enter your Award Certificate number:

Caller enters the 10 digit phone number.

Great! You have a balance of 1 Award Credits with only 9 more to go to reach your first award level. ABC Company appreciates your business! Good-bye."

NOTE: An essential economical factor is keeping the phone call as short and simple as possible. All promotional messaging and instructions are featured on the certificate and POP material.

6. With each subsequent purchase, consumers repeat the process of calling the 800 number, punching in their area code and home telephone number (which serves as their Frequent Shopper Account number) and entering the Certificate number (which expires after first use) contained within their product package.
7. With each call the system verifies the consumer's balance of award credits and urges them on to the next Award level. When a consumer reaches an award level, the phone call will sound like this ...

"ABC Company Frequent Shopper Award line! Please enter your area code and home telephone number now:

Caller enters their 10 digit phone number.

Now enter your Award Certificate number:

Caller enters the 10 digit phone number.

Congratulations, you've reached the 10 credit award level! To redeem your award credits for 15 free minutes of long distance calling, press "1" now. To keep your 10 award credits and continue on to the next award level, press "3" now.

Caller presses "1" to redeem for phone time.

You now have 15 minutes of free long distance calling and a balance of zero award credits. When you're ready to use your free phone time, simply call the 800 number again and follow the instructions. ABC Company appreciates your business! Good-bye."

8. When a consumer redeems for phone time, their next call to the system would sound like this ...

"ABC Company Frequent Shopper Award line! Please enter your area code and home telephone number now:

Caller enters their 10 digit phone number.

To use your free phone time, press "1" now, to register an award credit, press "3" now.

Caller presses "1" to use their phone time.

You have 15 minutes of free long distance calling available. Please enter the area code and phone number of the destination you would like to call now:

Caller enters the 10 digit phone number.

Your call is being connected. ABC Company appreciates your business!"

9. The system keeps track of consumers phone time and advises them when they have one minute remaining. Consumers can make as many phone calls as their remaining time allows.
10. Consumers can keep adding credits to their account until they reach any desired award level and redeem for that award. Even after redeeming for an award and zeroing out their balance, consumers can start building their credit balance up again.
11. The program is totally and electronically self-sufficient; no enrollment process, no fulfillment process, no extraneous validation process.
12. To further encourage participation and repeat purchase, an instant win overlay can randomly award consumers with free long distance time when they call to register their award credits.
13. The use of the consumer's area code and home telephone number, not only serves as a participants unique PIN but can also;
 - a) be used to build a data-base of consumers by matching the phone numbers against a national household data-base to obtain names and addresses.
 - B) be used to build a lifestyle cluster demographic report by converting the phone numbers into zip codes and running against a lifestyle data-base such as PRISM.
14. Extending the prize structure beyond free long distance enhances the promotion. Adding higher level prizes such as electronics or appliances fills out the prize structure and makes the program more appealing. When the consumer redeems for an award of this nature, the system asks for and records the consumer's name and shipping address for fulfillment purposes.

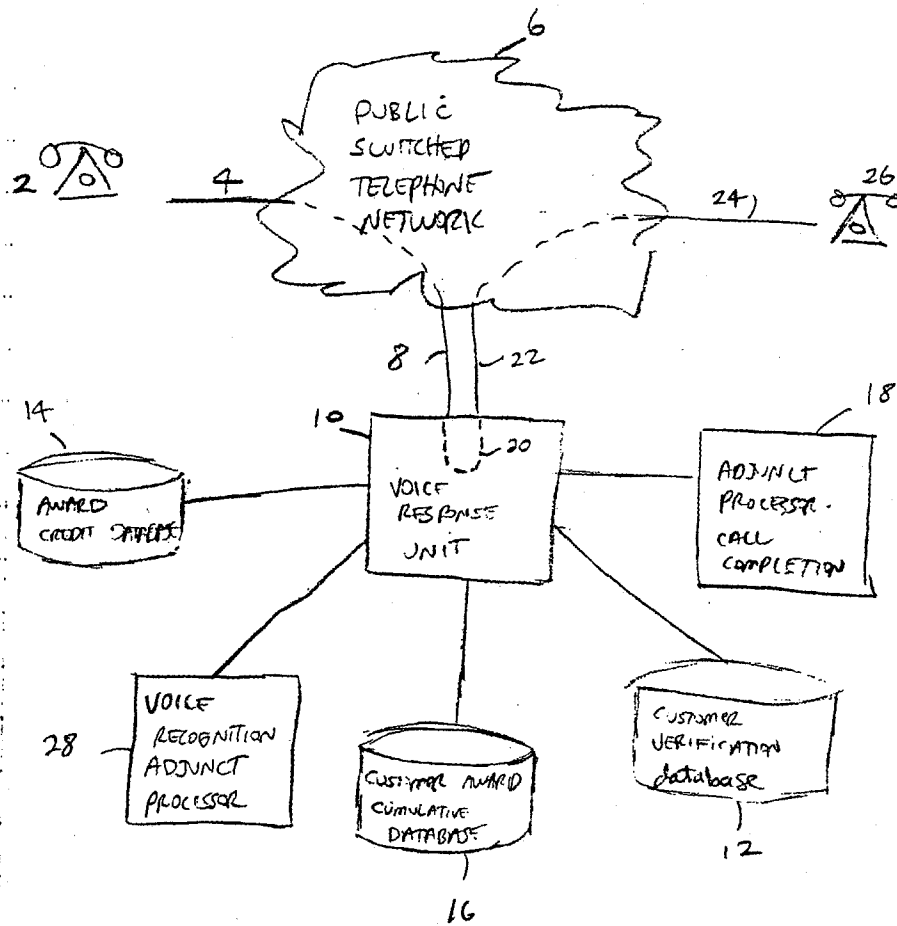


Fig. 1

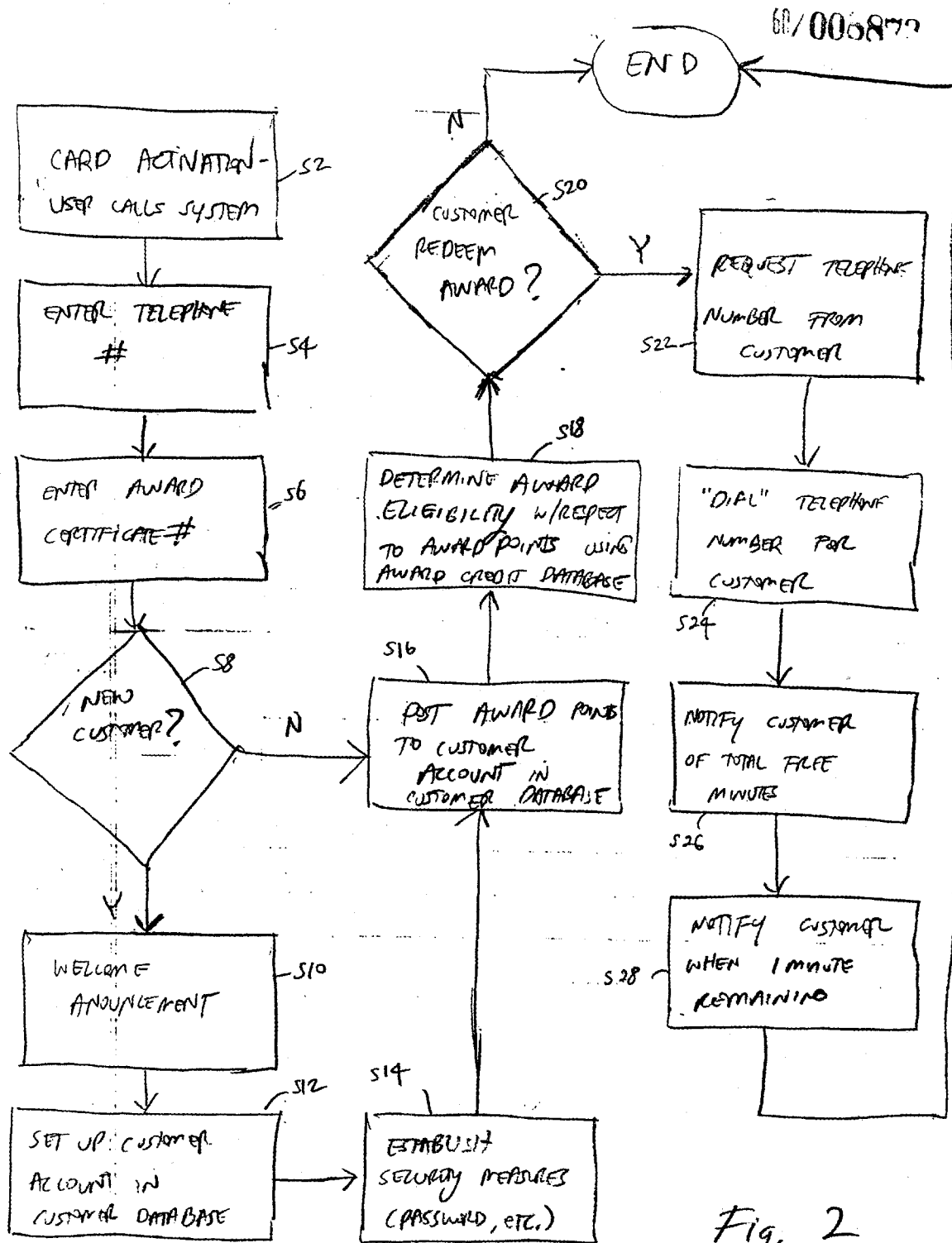


Fig. 2